



Disability Rights Connecticut
"Connecticut's protection and advocacy system"

**846 Wethersfield Avenue
Hartford, CT 06114**

March 8, 2022

**Re: Testimony before the Human Services Committee Regarding SB 283
(Medicaid income and asset limits), SB 288 (waiver of notice and comment by
DSS during emergencies), and HB 5333 (proposed PACE program state plan
amendment)**

Good afternoon, Senator Moore, Representative Abercrombie and other distinguished members of the Human Services Committee:

My name is Sheldon Toubman and I am the Litigation Attorney at Disability Rights CT. We are the Protection and Advocacy System for CT, serving individuals with a full range of physical, behavioral, intellectual and developmental disabilities. I am here to testify about the impact of three bills, SB 283, SB 288 and HB 5333, on people with disabilities.

SB 283:

MedConnect is a very important Medicaid health insurance program for people with severe disabilities (under the Social Security Administration standard) who also are able to work. The income limit for this program is set at \$75,000/year (about 550% of the federal poverty level or "FPL"), it has asset limits of \$10,000 (\$15,000 for a couple), and 401K assets don't count as an asset the way they normally do under Medicaid asset rules for disabled individuals. However, the administrative burden of establishing eligibility may cause some working individuals with disabilities who are eligible for MedConnect to forego the benefits of this program. Removing the income and asset limits will benefit some working people with disabilities who will then be able to access critical Medicaid benefits, like extended PCA services.

I would also like to talk with you about what is not in this bill: any relief for people on HUSKY C, the Medicaid program for people who are 65 or older or who are

disabled under the same SSA standard but are **not** able to work. HUSKY C has by far the most restrictive eligibility rules of **any** CT Medicaid program, with an extremely low effective income limit of just \$941/month (\$1,052/ month in Fairfield County), and an asset limit of \$1600 (\$2400 for a couple). These income limits, respectively, are about **84% and 93% of FPL**.

Besides the comparison with the MedConnect program, I note these other Medicaid programs:

- HUSKY A for adults who are parents/caretaker relatives of children: income limit of \$1,812/month for one (**160% of FPL**)
- HUSKY D for childless non-disabled adults under 65: income limit of \$1,563/month for one (**138% of FPL**)
- Medicaid waiver programs for disabled individuals likely to be institutionalized (like CHCPE, PCA, ABI): income limit of \$2,523/month (**223% of FPL**)
- HUSKY A and D both have no asset limits

Many elderly/disabled individuals are not eligible for any other health insurance so being over-income for HUSKY C means they have no health coverage unless they can “spend down” their income over the very low HUSKY C limits every six months, which is usually not possible. Even those elderly/disabled who **do** qualify for Medicare have no coverage for the many services covered by Medicaid which are not covered by Medicare, such as dental care, vision coverage, hearing aids, medical transportation, home care services not associated with skilled services, etc.

The extremely low **asset** limits for HUSKY C of \$1600/\$2400, which have not been adjusted for decades, mean it is impossible for elderly/disabled individuals to save up for emergencies like car repairs, or to put money aside for a down payment on a new apartment.

The unfairness of this is seen in disabled individuals who lose their ability to work and therefore lose their eligibility for MedConnect with its higher income limit -- they lose all Medicaid coverage because they simply cannot spend down to the HUSKY C income limit, about 1/7th the current income limit of MedConnect. They also lose their ability to have more than \$1600 in savings.

There is no obstacle to CT raising the effective income limit for HUSKY C to match the lowest income limits of any other CT Medicaid program (HUSKY D, at 138% of FPL). This can be accomplished in compliance with federal rules simply by establishing the appropriate income disregards. In doing so, it would follow the lead of CA which increased its aged, blind, disabled Medicaid program to 138% of FPL in 2020. It also can increase the asset limit; an asset limit of \$5,000 would match the asset limit in FLA. If such increases were adopted, elderly and disabled individuals who cannot work still would be treated more unfavorably than any other group in terms of eligibility rules (HUSKY D individuals have no asset limits), but at least it would start to address this great injustice under Medicaid toward people with disabilities who cannot work.

SB 288:

This bill would completely exempt DSS from having to go through any notice or public hearing regarding any new, renewed or altered Medicaid waivers or state plan amendments during a public emergency declared by the state or federal governments. This mostly seems to grant DSS retroactive approval for having disregarded these notice and hearing requirements during the COVID state and federal public health emergency. But the language is very broad, including any federal emergency and any “emergency or disaster or a public health emergency or civil preparedness emergency declared by the Governor or the General Assembly,” and it would allow DSS to avoid these transparency requirements right now because, though the state emergency has passed, the emergency declared by the federal government is still in effect and will continue for many months.

While we don’t believe this was abused in any way in the past, people with disabilities, particularly those covered under the many section 1915 home and community based services waivers, could be negatively affected by the carte blanche authority in this bill for a future administration to disregard all of these public transparency rules, such as by tightening eligibility standards or reducing benefits, with no opportunity for public notice or comment, on the say-so of the Governor.

HB 5333:

This bill would authorize a Program for All-Inclusive Care for the Elderly (PACE). While these programs are often touted for people on both Medicare and Medicaid, what is often not stated is that these programs necessarily involve total “capitation,” meaning that, as with all capitated payment systems, the provider is paid a fixed amount per member per month. Even if this amount is risk-adjusted, it still means that every dollar of care provided comes out of the provider’s pocket, creating a powerful incentive to deny or skimp on care. The fact that this was statutorily authorized as a pilot two decades ago and **not** piloted is not reason to move forward with a full-scale state plan amendment, as proposed in this bill; if a demonstration were first actually implemented by DSS, then we could see the impact on people with disabilities. In the absence of a successful demonstration of this concept in CT, people with disabilities on both Medicare and Medicaid will be put at significant risk from adopting this capitated option.

Thank you for the opportunity to speak with you today on these bills.